

# Mega Financial Holding Co., Ltd. Tax Governance Policy

Approved by the 36th meeting of the 6<sup>th</sup>  
term Board of Directors on Nov 28, 2017

Amended by the 36th meeting of the 7<sup>th</sup>  
term Board of Directors on May 25, 2021

## Article 1. (Purpose)

The Tax Governance Policy (hereinafter referred to as the “Policy”) is established to enable Mega Financial Holding Co., Ltd. (hereinafter referred to as the “Company”) to conduct tax governance conforming to international practices, to achieve high level of tax regulation compliance, to implement corporate sustainable operation, to increase corporate value and to fulfill corporate social responsibility

## Article 1-1. (Responsible unit)

The responsible unit of the Policy shall be the Treasury Department.

## Article 2. (Scope of application)

The Company and all its subsidiaries shall comply with the Policy.

## Article 3. (Policy)

The Company adheres to the principles of honesty and conservatism to establish the Policy as follows:

1. To complete all tax charges honestly in accordance with local and international tax regulations and deliberate the text and legislative intent of the regulations so as to fulfill its obligations to pay taxes in the countries in which the Company operates.
2. To assess the impact of changes in local and international tax regulations, and formulate appropriate responses.
3. When planning the organizational structure or carrying out a transaction, the Company should use a tax structure that conforms to the commercial substance. The Company should not transfer value to low tax jurisdictions deliberately

nor use secrecy jurisdictions or so-called "tax havens".

4. Related-party transactions should comply with the arm's length principles and the transfer pricing regulations where the Company operates.
5. To disclose tax related information publicly and regularly to enhance transparency.
6. To maintain an open and honest communication channel with tax authority.
7. To strengthen tax professional knowledge and skills and conduct training on an ongoing basis.

#### **Article 4. (Organization and responsibility)**

The organization and responsibility of tax governance units are described as follows:

1. The Board of Directors is the ultimate decision-making unit in the Company's establishment of tax risk management system. The Board of Directors approves overall tax governance policy and ensures an effective implementation of tax management mechanisms.
2. The Treasury Department is the tax management unit of the Company and shall regularly report tax management related matters to the Board of Directors every year.

#### **Article 5. (Review and amendment)**

The Policy shall be reviewed and amended accordingly in response to changes in international and domestic laws and regulations.

#### **Article 6. (Matters not covered)**

Matters not covered in the policy shall be subject to the laws and regulations of the competent authority and the relevant provisions of the company.

#### **Article 7. (Approval levels)**

The policy shall take effect upon its approval by the Board of Directors, and the same shall apply when it is amended or repealed.